

Foothill Transit Executive Board

MINUTES

The regular meeting of the Foothill Transit Executive Board was held Friday, May 25, 2007 at the Foothill Transit Board Room, 1st Floor, 100 North Barranca Avenue, West Covina.

Vice President Paula Lantz, called the meeting to order at 8:05 a.m. The following members were present, constituting a quorum of the Executive Board:

Paula Lantz, Vice President
John Fasana
Lola Storing
Michael De La Torre
Doug Tessitor

Staff and Guests present:

Doran Barnes, Executive Director
Kevin McDonald, Deputy Executive Director
Darold Pieper, General Counsel
Peter Papadakis, Deputy Secretary

Pledge of Allegiance

Vice President Lantz led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES FOR THE SPECIAL MEETING OF APRIL 20, 2007

The special meeting minutes of April 20, 2007 were approved as submitted.

Motion:	Member Storing, seconded by Member Fasana
Vote:	Duly carried

PUBLIC COMMENT

There was no public comment.

PRESENTATIONS:

Contractor's Operator of the Month Awards

Jim Andrews, Interim Manager, introduced and recognized the following awardees:

David Lewis, Operator of the Month, Pomona First Transit
Robert Arras, Employee of the Quarter, Pomona First Transit

Contractor's Operator of the Month Awards

Jeff Moore introduced and recognized the following awardee:
Ricci Strange, Operator of the Month, Irwindale/Arcadia First Transit

CONSENT CALENDAR:

The Executive Board adopted Consent Calendar agenda items 7-12.

Motion: Member Fasana, seconded by Member De La Torre
Vote: Unanimously carried

REGULAR AGENDA:

SMART BUS SYSTEM UPDATE

George Karbowski, Director of Operations & Maintenance, reported that the Smart *Bus* hardware installation is nearly complete. Currently, staff is in the process of resolving hardware and technical glitches. Additional training and data validation is planned, and the final step will be developing reports that will contribute to accomplishing the mission statement at all levels.

In response to Member Fasana, Mr. Karbowski stated that a video display could be utilized at the El Monte station for bus arrivals/departures. Executive Director Barnes mentioned Foothill Transit's new administrative offices will have similar video aids for customers.

The Executive Board received and filed the Foothill Transit SMART *Bus* System (SBS).

Motion: Member Fasana, seconded by Member De La Torre
Vote: Unanimously carried

CONTRACT AWARD – OPERATION OF TRANSIT SERVICES IRWINDALE

LaShawn Gillespie, Director of Procurement, reported on the Request for Proposals (RFP) issued for the Arcadia/Irwindale facility on March 2, 2007. The proposals received were First Transit, Laidlaw Transit and M.V. Transportation. After a thorough review of the proposals, M.V. Transportation, Inc. was chosen as the most responsive bidder with a base contract cost of \$77,224,491, and 5-year cost projected at \$133,897,837.

Member Fasana thanked Ms. Gillespie for her report and was encouraged that three competitive proposals were submitted. In response to Member Fasana's question regarding cost implications, Executive Director Barnes stated that the contract cost is

higher than what was originally budgeted. The Executive Board made an adjustment to the recommended budget and in lieu of that are seeing substantial cost increases primarily related to Technology and the Labor market.

Member Fasana requested to have these financial issues presented at Foothill Transit's May 30, 2007 Annual meeting. Executive Director Barnes emphasized the need to implement adjustments and programmatic changes in Fiscal Year 2009, either in service levels and/or in revenue. Foothill Transit has begun identifying options, cost impacts, and revenue potentials and will meet over the next several months with the Executive and Governing Boards to discuss these issues.

The Executive Board adopted the action to award a contract to M.V. Transportation, Inc for a base of three years and two one-year options, and negotiate final contract terms and conditions for transit operations and maintenance services at Foothill Transit's Arcadia/Irwindale facility.

Motion:	Member Fasana, seconded by Member Storing
Vote:	Unanimously carried

2007 LEGISLATION SUMMARY

Executive Director Barnes reported there is a substantial amount of uncertainty regarding funding sources and legislation that could affect Foothill Transit.

David Reyno, Director of Government Relations, reported Foothill Transit supports the position on Senate Bill 650 to extend the length of buses from 60-65 ft. An articulated bus or articulated trolley measuring 65 feet in length would be required to operate on a dedicated right-of-way, as defined, except for reasonable access between terminals and maintenance facilities and the route where revenue service is provided. Mr. Reyno addressed the Executive Board on the following budgetary concerns:

Propositions 42 and 1B funding are unavailable. Currently, Governor Arnold Schwarzenegger, State of California, has proposed the following changes to the State Budget:

- \$1.3 billion was removed from the General Funds Account to a Public Transportation Account (PTA) and Proposition 1B funds will be shifted. Proposition 1B funds Transportation Capital funding. The public voted for Proposition 1B in anticipation of new transit services.

Public Transportation consists of the following components:

- State Sales Tax
- Proposition 111
- Spillover – The budget cuts \$800 million designated for existing transit capital projects. This is an additional \$100 million cut from January 2007 due to the

increase of spillover dollars. Spillover is a component of the budget that has additional revenue from the State Sales Tax when gas prices are high.

Proposition 42 – Passed in 2002 by nearly 70% of the voters, the State Constitution would require in 2003-04 a gas only sales tax. Revenue would be used annually for state and local transportation only. Additionally, Proposition 42 funds flowing into the PTA are currently split into two parts, 50% into the State Transit Assistance Program which could be used for operational purposes and 50% into transit capital programming. Thus, this bill will likely increase future funding for Foothill Transit permitting increase in service.

Governor Schwarzenegger's shift of the full channel fund obligation to the PTA is broken down into three of the following components:

- \$340 million – These funds will be utilized to pay down debt
- \$129 million – To be used to shuttle the Regional Rehabilitation Center
- \$827 million – Public School Transportation

Transit reductions will be divided in the following two areas:

- STA – \$509 million
- STIP – \$787 million (total: \$1.3 billion)

This will be approximately a \$2 million cut for Foothill Transit Funding. On Tuesday, May 22, 2007, the Senate Budget Executive Board #4 rejected the Governor's Proposal. On Wednesday, May 23, 2007, the Assembly Budget Executive Board #5 rejected most of the Governor's Proposal. Additionally, Assembly Senate Budget Executive Board #1 and Assembly Senate Budget Executive Board #2 rejected the Yellow Bus Service Program proposed by the Governor. A conference Executive Board is being constructed which will consist of 3 members of the State Assembly and 3 members of the State Senate to negotiate the difference between the two Bills, and present a compromised budget to the Governor. In any event, a \$1.3 billion cut in transportation funding is imminent.

Member Fasana mentioned that the Governor's proposals of \$1.3 billion would actually be more and these cuts would seriously impact transit agencies. The San Gabriel Valley Caucus will be holding their Legislative meeting on Saturday, June 2, 2007, at West Covina City Hall at 8:00 a.m.

Executive Director Barnes stated that the exact reduction is uncertain, however; Foothill Transit may receive approximately \$3 million despite a \$1.3 billion dollar deficit. Further, forecasting and planning for Fiscal Year 2009 will be difficult and more critical.

In response to Member De La Torre, Mr. Reyno advised that a discussion of the current transit financial issues will be discussed at Foothill Transit's May 30, 2007 Annual meeting. Member Fasana mentioned that the Governor's proposal may jeopardize the highway, 10 freeway carpool lane improvements, and the rail project.

The Executive Board received and filed the May 2007 Legislative Summary and adopted a support position on SB 650.

Motion: Member Fasana, seconded by Member De La Torre
Vote: Unanimously carried

WEST COVINA PARK AND RIDE

Bob Arthur, Director of Special Projects, reported several phases of the West Covina Park and Ride have been completed. The second phase included the preparation and presentation to the West Covina Planning and Building and Safety Department for their preliminary review. This presentation was held in March and was very positive. On May 15, 2007, Mr. Arthur and Foothill Transit staff attended the West Covina City Council meeting and presented them with a brief scope/description of the project. Although the City Council did not take action, city staff suggested Foothill Transit move forward with the project without incorporating additional engineering that would plan for future developments on the structure.

The next steps are to move forward with plans and specifications such as the Environmental Study, surveying the property, analysis and developing the Landscape Plan. City approval has been received and returned to the Executive Board with a recommendation to complete the final engineering phase of the project.

In response to Member's Fasana and Lantz, Mr. Arthur reported the design incorporates the expectations of the West Covina City Council, and that a written letter of consent has been received from the West Covina City Council allowing Foothill Transit to move forward without engineering that would plan for future developments on the structure. Lastly, the schedule of delivery for the project is approximately 10-12 months.

The Executive Board authorized the Executive Director to execute a contract amendment with Watry Design in the amount of \$391,450 for Phase 2B the next stage of the design of a Park and Ride facility on Foothill Transit's property in the City of West Covina.

Motion: Member Fanasa, seconded by Member De La Torre
Vote: Unanimously carried

BOARD MEMBER AND EXECUTIVE DIRECTOR COMMENT

Executive Director Barnes introduced Foothill Transit's new Safety & Security Director Jamie Becera. Mr. Becera has spent many years with the Public Safety Department of the City of Norwalk and has several years of experience in understanding the transit industry and public safety.

Foothill Transit is set to take occupancy of the new administrative office on Friday, June 8, 2007 and the move will result in a cost savings since capital dollars are being used.

Executive Director Barnes and Foothill Transit staff attended the American Public Transportation Association's Annual Bus Impaired Transit Conference. Staff participated in detailed discussions on a variety of technical topics such as Human Resources, Customer Service, Operational Planning and Maintenance and also interfaced with vendors regarding industry products.

Foothill Transit's Annual meeting is scheduled for Wednesday, May 30, 2007. The Executive Board will convene at 5:00 p.m. and the Governing Board will convene at 5:30 p.m.

Executive Director Barnes advised that on Wednesday, May 23, 2007, the City of Irwindale took action to rescind the waiver on the Utility Users Tax. This is a \$200,000, per year budget item that has not been included in the Foothill Transit budget for next year and will be an issue for the Executive Board to consider.

Darold Pieper, General Counsel, advised the Executive Board of two closed session agenda items:

- Budget Amendment for the Utility Users Tax – This item must go before the Governing Board Wednesday, May 30, 2007; and
- The Executive Board needs to consider the legal implications of potential litigation over the action of the City of Irwindale prior to their meeting on June 22, 2007 to prevent unnecessary expenditures.

The Executive Board recessed to closed session at 9:30 a.m.
The Executive Board reconvened at 10:09 a.m.

Mr. Pieper advised no reportable action was taken that is required to be disclosed at this time.

ADJOURNMENT

There being no further business, the Executive Board adjourned at 10:10 a.m.